Testimony of David Berthold Vice President of Business Development, Performance Environmental Services, LLC Hartford, Connecticut

Labor & Public Employees Committee March 5, 2015

Good morning, Chairpersons Senator Gomes and Representative Tercyak and members of the Labor & Public Employees Committee, my name is David Berthold, I am the Vice President of Business Development of Performance Environmental Services, LLC.

I am here today to testify in regard to:

H.B. No. 6877 (RAISED) AN ACT CONCERNING A MINIMUM WORK WEEK FOR PERSONS PERFORMING JANITORIAL WORK.

Performance Environmental Services ("Performance") is a commercial janitorial contractor servicing both the public and private sectors statewide. It was incorporated in CT in 2009 and has continually provided jobs within the state with year over year growth of approximately 10%. It currently employs over 500 Janitors both full and part time in CT along with over 30 or so supervisory, managerial and clerical staff. Performance is a responsible employer and taxpayer, and it continually reinvests into the state by means of vehicles, equipment, training and educational programs for employees, and green sustainable business practices to name a few. We implore this committee's attention to the fact that regulating the work week for janitorial work to a minimum of 30 hours would (a) represent a hardship its employees; (b) create the loss of jobs; (c) be detrimental to its business practices; (d) result in the loss of business; (e) have a detrimental financial impact on its customer base and; (f) have a detrimental impact on our planet's

(a) While the janitorial industry does employ both full and part time individuals, the convention remains natural resources. part time, second shift positions that start at approximately 5-6pm and conclude approximately between 9-10pm Monday through Friday. In fact, this represents the vast majority of janitorial positions within our company. For many employees this 2nd shift part time job supplements their income in addition to a full time day job, provides secondary household income, and provides a flexible source of income while they are in school. The reasons may vary, but the fact is constant that the ability for certain CT residents to a find a <u>PART TIME</u>, <u>SECOND SHIFT</u> janitorial job, Monday through Friday, that allows them to return to their homes and families at a reasonable hour is fundamental to their well being. Currently the Janitorial industry has the ability to offer jobs that meet the needs of these individuals. By regulating janitorial work to a minimum of 30 hours per week however, these employees would then be required to work until upwards of 11pm-1am (or later in rare cases). Under this scenario, employees who cannot work an extended shift and/or who rely on mass transit would likely be forced to quit. Those employees who are forced to work late might experience a hardship at home, at school or at their day job, not to mention the safety risk of leaving their jobsite late at lam. We assert that these are not simply conjectures, but the knowledge gained over many years of familiarizing ourselves with our labor pool and our employee base, which as a service based provider, we consider vital to our business. This position is further supported by the phenomenon that the longer the shift length is for a 2nd shift janitorial position, the harder it is for our company to find individuals willing to take that position historically.

- (b) Currently Performance employs a large number of individuals on 2nd shift whose work week is between 20 and 25 hours. If passed, this Act will effectively result in the layoff of many hard working part time employees in order to comply with the Act by increasing the work week for the remaining employees.
- (c) For those of us who choose to make it our living, janitorial services is known to be a sophisticated vocation demanding great nuance in execution. As a service based industry, our product is task based labor, and our ability to craft that labor around a particular scope of work with specific and precise shift hours equates to our unique offering within the open market. In fact, this is often the foundation of our marketability, competitiveness and customer appeal within the market, and is tantamount to what other industries might call innovation, or even a brand. In that light you can see that restricting our ability to craft our product, as this Act attempts to do, would have a crippling effect on our ability to uniquely and effectively manage our labor, which in turn effectively eliminates our ability to conduct our business freely as professionals within the open market. Indeed the full detrimental impact this Act would have on our ability to conduct business is far reaching.
 - The process of translating a janitorial scope of work into the labor hours required to service a contract is precise, and results in a precise figure. The ability to create a janitorial program around a specific shift length that both meets the needs of the program, and creates a shift common to all employees at that job site is crucial to being able to provide continuity and quality service. This Act would force us to create varying shift lengths at a specific job site of anywhere from 6 hours to 8 hours nightly, therefore compromising the integrity of the program by overlapping job assignments, perforating critical employee interface, and greatly affecting our ability to oversee and manage employees coming and or leaving at varying times.
 - ii. There exist today privately owned and operated locations that would be covered by this Act, for which there is a single, autonomous and unique janitorial position that is fewer than 30 hours per week (part time porter for example). If this Act is passed, what then of these positions but to tell the customer that they now need to pay additional daily labor for this position for no good reason whatsoever?
 - Oftentimes a janitorial service program will need to be adjusted over time to account for increases/decreases in serviceable area (for example when a tenant moves out of an office suite). This results in the need to adjust the program in units as few as fifteen minutes per shift for one or more workers. This Act severely limits, if not completely eliminates our ability to make those adjustments as needed, having a profound negative impact for both the contractor and the building owner/manager.
 - iv. As previously noted, many of our janitorial contracts require 2nd shift jobs, commencing at or around 5-6pm, customarily after the building occupants leave for the day. This Act, therefore, would create the need to hire employees willing to work a shift that ends anywhere from 11pm upward of 2am. Also as previously stated, the longer the shift length is for a 2nd shift job, the harder it is historically to find individuals willing to fill that position in our industry. Good employees are not easy to come by, and making this task exponentially harder, as this Act attempts to do, would be extremely harmful to our business operations.
 - v. It has been observed, studied and supported that worker productivity for a 2nd shift janitorial position decreases steadily the longer the shift length is. For this reason you find within our company and I'm sure among our colleagues the ideal 2nd shift janitorial shift length to be between 4 and 5 hours nightly. This Act therefore will have the effect of imposing the need for additional labor for the same service contract to compensate for reduced worker productivity, which imposes additional and unnecessary hardship and costs upon contractors and building owners/managers alike.

- (d) Increasing the minimum work week to 30 hours for all janitorial employees will result in our incurring additional financially crippling costs related to the Affordable Care Act and/or Union Collective Bargaining Agreements. By attempting to pass these costs through to our customers, we can reasonably anticipate a loss of business to smaller contractors (who don't meet the minimum full time employee requirements of the Affordable Care Act) and/or to Non Union contractors.
- (e) Building owners and/or managers covered by this Act, if so passed, will not only incur the additional costs related to paragraph (d) above, but the additional costs related to extending the operating hours of their facility by keeping lights on, HVAC on, and extending security requirements.
- (f) By extending the operating hours of the facilities in which janitorial staff are employed to accommodate the extended shift hours proposed the by the ACT, the need and usage of lights and HVAC systems will be increased/extended, which will unnecessarily consume electricity.

IN SUMMARY, H.B. No. 6877 WILL NEGATIVELY IMPACT THE PART TIME WORKING CLASS, RESULT IN THE LOSS OF JOBS, RESTRICT OUR ABILITY TO CONDUCT BUSINESS AND TO BE COMPETITIVE IN THE OPEN MARKET, WILL RESULT IN THE LOSS OF BUSINESS AND WASTE PRECIOUS RESOURCES. FOR THESE REASONS WE URGE YOU TO VOTE NO ON H.B. No. 6877!

Thank you,

David Berthold

VP, Business Development

Performance Environmental Services, LLC